

REPORT ON

SANITARY SUPPLY DISTRIBUTOR SALES

2014

Results of a joint research study conducted by *Sanitary Maintenance*
Magazine and ISSA - The Worldwide Cleaning Industry Association

October 2015

Cost: \$349

**SANITARY
MAINTENANCE**
The Leading Resource for Jan/San Distributors

ISSA[®]
Advancing Clean.
Driving Innovation.

METHODOLOGY

This study was designed, prepared and conducted by the Research Department of Trade Press Media Group Inc., publisher of *Sanitary Maintenance* Magazine in conjunction with ISSA - The Worldwide Cleaning Industry Association. Its primary purpose was to gather information on distributor sales of chemicals, janitorial supplies, paper/plastic products and power equipment in the U.S. and Canada.

Data shown in this report was derived from non-duplicated questionnaires returned from a sample of *Sanitary Maintenance* readers which includes ISSA members. Sales totals were computed using weighted means and projected/estimated against a universe of 6,000 Sanitary Supply distributors. Dollar figures presented represent sales by distributors after markup. Estimates for manufacturer sales based on these figures are difficult to make since markup varies from category to category and from one distributor to another.

SURVEY

This survey was sent via e-mail to 4,650 Sanitary Supply distributors on March 18, 2015. Follow-up surveys were emailed to non-respondents between March 23 and June 4, 2015.

RESPONSE

The survey was closed on June 8, 2015, with 140 qualified questionnaires returned by the deadline. The rate of response for the email survey was computed to be 3.0%.

STATISTICAL CONFIDENCE

The overall estimated margin of error for this study is ± 8.19 percent at the 95 percent confidence level. *Given the changing total number of active sanitary supply distributors and the continuing need to reassess the total number of firms to use for the projection, readers are recommended to compare results to past surveys with a sense of caution.*

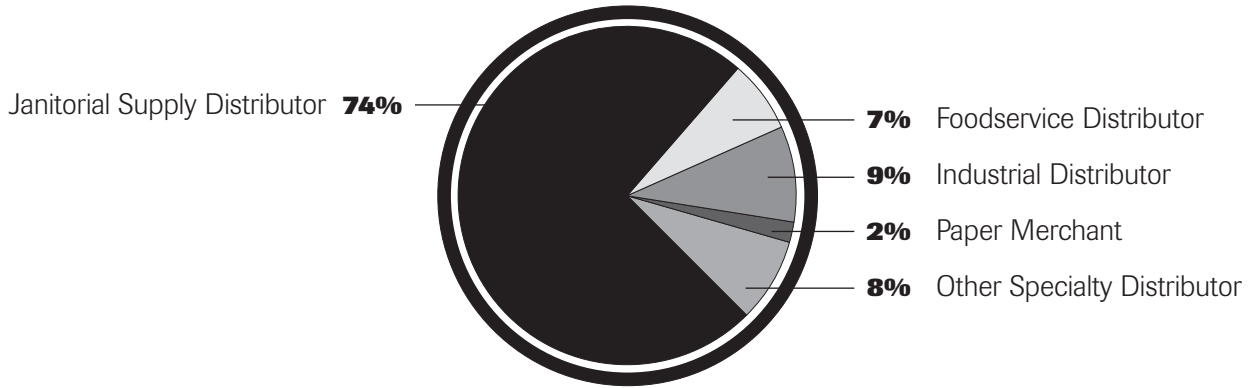
SOME HIGHLIGHTS FROM THIS SURVEY

- * Sanitary Supply distributor sales now total \$24.6 billion.
- * The majority of Sanitary Supply distributors sell locally (within a 60 mile radius).
- * Education, Health Care, and Contract Cleaners are the largest market segments for Sanitary Supply distributor sales in 2014.
- * Paper and plastics are the leading product category by sales volume.
- * Towels, Facial Tissue, Toilet Tissue continues to be the product that sold the most by dollar volume.

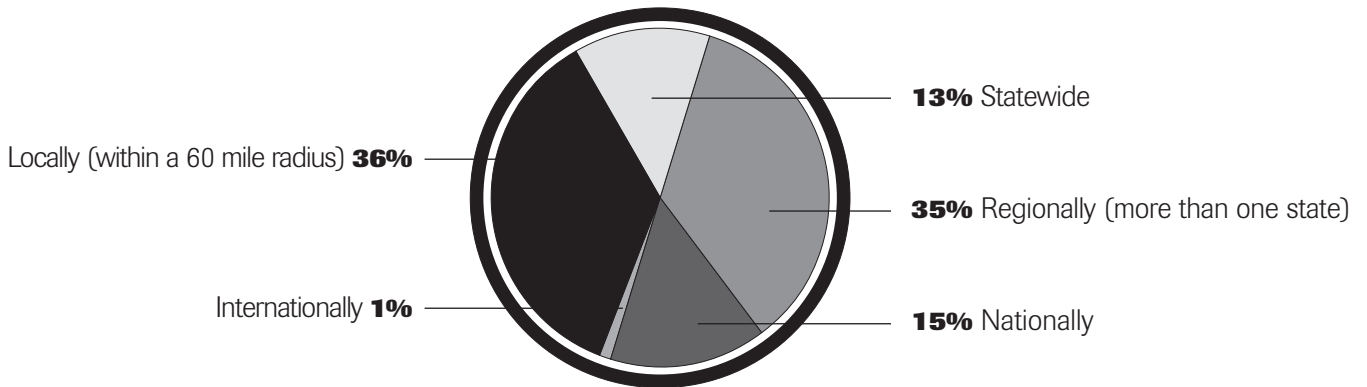
SURVEY RESULTS

RESPONDENTS' PROFILE

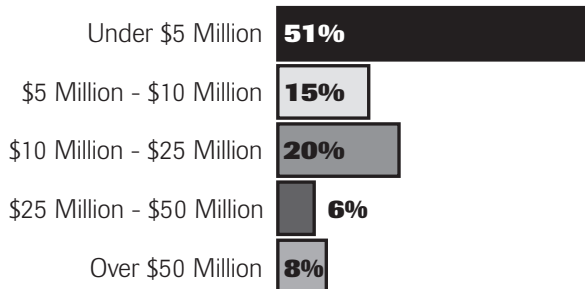
TYPE OF DISTRIBUTOR



DISTRIBUTORS' SALES TERRITORY



ANNUAL SALES VOLUME



DISTRIBUTOR SALES

2014 DISTRIBUTOR SALES VOLUME

Product Category	Sales	Percentage of Total
Paper/Plastics	\$13,222,209,000	53.8%
Chemicals	\$7,070,623,000	28.7%
Supplies/Accessories	\$2,365,568,000	9.6%
Power Equipment	\$1,851,189,000	7.5%
Other Janitorial Products	\$97,122,000	0.4%
TOTAL SALES	\$24,606,711,000	

2014 DISTRIBUTOR SALES BY MARKET SEGMENT

Market Segments	Sales	Percentage of Total
Educational (schools, colleges, universities)	\$3,691,007,000	15.0%
Health Care (hospitals, nursing homes, clinics, medical, dental offices)	\$3,567,973,000	14.5%
Contract Cleaners	\$3,444,940,000	14.0%
Industrial (manufacturing plants, food processing, utilities, warehouses)	\$3,420,333,000	13.9%
Commercial (office buildings, property management firms)	\$2,066,964,000	8.4%
Governmental (municipal, county, state, federal)	\$1,919,323,000	7.8%
Retail (grocery, shopping malls, department stores, auto dealers, misc. retail)	\$1,328,762,000	5.4%
Restaurants/Clubs (stand-alone, country clubs)	\$1,181,122,000	4.8%
Hotels/Motels	\$1,082,695,000	4.4%
Recreation (stadiums, health clubs, movie theaters, casinos, bowling alleys)	\$1,033,482,000	4.2%
Religious (churches, convents, etc., excluding hospitals & schools)	\$836,628,000	3.4%
Transportation (airports, public transit, airlines, bus and rail stations)	\$713,595,000	2.9%
Residential (apartment buildings, condominiums)	\$319,887,000	1.3%
Total	\$24,606,711,000	

BREAKDOWN OF 2014 PRODUCT SALES

2014 CHEMICAL SALES

Products	Sales	Percentage of Total
Bio Enzymes (drain openers, drain cleaners, etc.)	\$231,557,000	3.3%
Carpet Care Chemicals (shampoos, pretreats, spotters, etc.)	\$279,587,000	4.0%
Cleaners & Degreasers (glass, wall, counters, etc.)	\$1,241,547,000	17.5%
Disinfectants & Sanitizers (bowl, porcelain, counter, other surfaces)	\$874,822,000	12.4%
Hand Cleaners (bar, liquid, powder, etc.)	\$810,708,000	11.5%
Hand Sanitizers	\$387,799,000	5.5%
Ice Melt	\$328,873,000	4.6%
Insecticides, Herbicides & Pesticides	\$37,706,000	0.5%
Laundry Detergents	\$388,102,000	5.5%
Odor Control (blocks, liquids, gels)	\$361,458,000	5.1%
Resilient & Hard Floor Chemicals (strippers, neutralizers, seals, finishers, restorers, spray buffs, polishing compounds, etc.)	\$1,327,598,000	18.8%
Warewash Chemicals	\$509,707,000	7.2%
Other Chemicals not listed above	\$291,159,000	4.1%
Total	\$7,070,623,000	

Green products accounted for 22% of chemical sales in 2014.

2014 POWER EQUIPMENT SALES

Products	Sales	Percentage of Total
Automatic Scrubbers (walk behind & rider)	\$482,323,000	26.0%
Carpet Extractors	\$104,066,000	5.6%
Floor Machines (battery powered)	\$154,036,000	8.3%
Floor Machines (electric powered-corded)	\$186,440,000	10.1%
Floor Machines (propane powered)	\$72,343,000	3.9%
Parts (replacement)	\$238,483,000	12.9%
Parts (vacuum bags & filters)	\$69,822,000	3.8%
Power Sweepers	\$58,467,000	3.2%
Pressure Washers (<u>not</u> including restroom cleaning machines)	\$34,031,000	1.8%
Restroom Cleaning Machines (<u>not</u> including pressure washers)	\$53,375,000	2.9%
Vacuums (backpack)	\$98,052,000	5.3%
Vacuums (tank and wet/dry)	\$78,760,000	4.3%
Vacuums (upright, wide area)	\$198,522,000	10.7%
Other Power Equipment not listed above	\$22,469,000	1.2%
Total	\$1,851,189,000	

Green products accounted for 20% of power equipment sales in 2014.

2014 SUPPLIES/ACCESSORIES SALES

Products	Projected Sales	Percentage of Total
Absorbents/Spill Containment	\$68,967,000	2.9%
Brooms & Brushes	\$121,860,000	5.2%
Cloth Rags (<u>not</u> microfiber)	\$71,225,000	3.0%
Dusters & Dust Mops, & Applicator Pads (<u>not</u> microfiber)	\$76,639,000	3.2%
Floor Machine Brushes	\$28,952,000	1.2%
Floor Pads	\$235,130,000	10.0%
Gloves (lightweight, disposable & safety)	\$311,632,000	13.2%
Hand Tools (scrapers, screwdrivers, pliers, hammers, flashlights, etc.)	\$75,418,000	3.2%
Mats & Matting	\$205,147,000	8.7%
Microfiber Products (mops, clothes, etc.)	\$148,616,000	6.3%
Mops (wet, all types <u>except</u> microfiber)	\$194,070,000	8.2%
Mopping Equipment (buckets, wringers, etc., <u>not</u> mops)	\$137,757,000	5.8%
Protective clothing (ear plugs, eye care, masks, safety glasses, etc., <u>excluding</u> gloves)	\$106,724,000	4.5%
Safety Products and Equipment (back supports, cleanup kits, first aid kits, safety treads, etc.)	\$58,826,000	2.5%
Signage/barricades	\$24,219,000	1.1%
Squeegees	\$24,192,000	1.0%
Traditional Washroom fixtures (non touch-free hand dryers, dispensers, toilet partitions)	\$100,298,000	4.2%
Touch-Free Washroom Fixtures (hand dryers, dispensers, flush valves)	\$79,955,000	3.4%
Warewashing Equipment	\$22,654,000	0.9%
Waste Handling Equipment (carts, receptacles, <u>not</u> liners)	\$136,790,000	5.8%
Window Washing Accessories (buckets, holsters, etc., <u>not</u> squeegees)	\$40,720,000	1.7%
Other Supplies/Accessories not listed above	\$95,777,000	4.0%
Total	\$2,365,568,000	

Green products accounted for 17% of supplies/accessories in 2014.

2014 PAPER/PLASTIC SALES

Products	Projected Sales	Percentage of Total
Disposable Wipes	\$277,265,000	2.1%
Foodservice Disposables (napkins, plates, bowls, cups, cutlery, wraps)	\$1,226,201,000	9.3%
Liners & Bags (paper or plastic)	\$3,071,694,000	23.2%
Packaging Products	\$1,654,816,000	12.5%
Towels, Facial Tissue, Toilet Tissue	\$6,697,810,000	50.7%
Other Paper/Plastics not listed above	\$294,423,000	2.2%
Total	\$13,222,209,000	

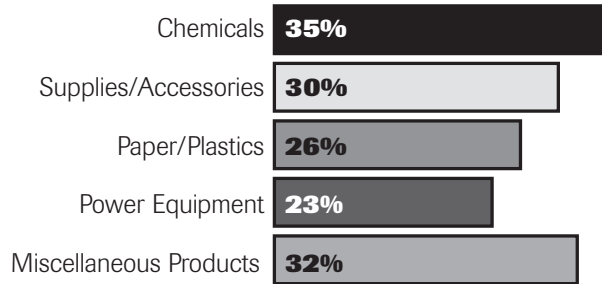
Green products accounted for 40% of paper/plastic sales in 2014.

2014 OTHER JANITORIAL PRODUCTS NOT LISTED IN ANY PREVIOUS CATEGORY

Sales
\$97,122,000

ADDITIONAL SALES INFORMATION

2014 AVERAGE GROSS MARGIN



AVERAGE NUMBER OF SALESPEOPLE EMPLOYED

Outside Salespeople	12
Inside Salespeople	4

PERCENTAGE OF SALES ORDERS

